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<COMPANY OR PROJECT LOGO>

<PROJECT NAME>

<PROJECT REFERENCE>

PROCUREMENT MANAGEMENT PLAN

VERSION <1.0>

<DD/MM/YYYY>

PROCUREMENT MANAGEMENT PLAN

DOCUMENT CONTROL

DOCUMENT INFORMATION

	Information
Document Id	<i>[Document Management System #]</i>
Document Owner	<i>[Owner Name]</i>
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DOCUMENT HISTORY

Version	Issue Date	Changes
<i>[1.0]</i>	<i>[Date]</i>	<i>[Section, Page(s) and Text Revised]</i>

DOCUMENT APPROVALS

Role	Name	Signature	Date
Project Sponsor			
Project Review Group			
Project Manager			
Quality Manager <i>(if applicable)</i>			

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Procurement Manager <i>(if applicable)</i>			
Communications Manager <i>(if applicable)</i>			
Project Office Manager <i>(if applicable)</i>			

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PROCUREMENT MANAGEMENT PLAN

TEMPLATE GUIDE

How to use this template

This is a guide to the common sections included in a Procurement management plan. Sections may be added, removed, or amended to suit your project. Example tables have been added (where relevant) these are just a suggestion; you may decide to format these sections differently.

Text in Blue italics is designed to assist you in completing the template. Delete this text before sharing the final document.

PROCUREMENT DESIGN AND PROCESSES

<Describe how the goods and services for the project will be purchased, this could include a flow chart. For example,:->

The supplier of the core product will be chosen via a tendering process. The requirements will form the backbone of an RFP, which will be sent to suppliers recommended by Gartner. The successful response will move to a [SOW](#) with time and material being the preferred contract type.

Wherever possible internal resources will be used. Credit cards can be used for one off items below 1.5k e.g., venues, food, printing.

One month post project go live the supplier and product will move into BAU with performance any non-compliance issues managed by the Contract and Supplier Management team.

EXAMPLE PROCUREMENT PROCESS

NEED	<ul style="list-style-type: none">Needs analysis sent to procurement team.Purchases over 1m to COO office approve
REQUIREMENTS	<ul style="list-style-type: none">Develop requirements in as much details as possible.
SELECT	<ul style="list-style-type: none">Select vendor list to move to bid stage.
BID	<ul style="list-style-type: none">Agree process and timeline with bid manager.Send out RFPs
EVALUATE	<ul style="list-style-type: none">Review and evaluate RFP responses.Ask follow ups and select successful bid.
SOW	<ul style="list-style-type: none">Write Statement of work. Work with vendor to agree project approach payment terms.
CONTRACT	<ul style="list-style-type: none">Contract Managers negotiate terms and conditions.Contracts signed and paperwork completed.

CONTRACT TYPES

<Describe the types of contracts that will be used during the project. For example, firm fixed price, fixed price incentive fee, cost plus, milestone payments, time and materials>

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PROCUREMENT AND CONTRACT RISKS

<Document the procurement and contract risks. For example, inability of vendors to meet requirements, RFP submission errors, procurement system failure and/or poor evaluation process. You could use a table like the one below:>

<u>Risk</u> description	Likelihood and impact	Mitigating actions
Document issued to bidders at different time giving a bidder an unfair advantage.	Low likelihood, high impact.	Issue documentation at the same time and for the online advert make the documentation available to download at the same time.
Single person involved in the process.	Low likelihood, high impact.	Ensure procurement team are involved at each stage.

PROCUREMENT MILESTONES

<List the procurement milestones. For example, requirements completion, RFP's sent, RFP submission deadline, evaluation completion. You could use a table like the one below.>

Date	Milestone
<mm/dd/yyyy>	Requirements completions
<mm/dd/yyyy>	RFP's sent
<mm/dd/yyyy>	RFP submission deadline
<mm/dd/yyyy>	Evaluation completion

INTEGRATION OF PROCUREMENT ACTIVITIES

<Describe how the supplier's activities will integrate with the project scope, schedule, risk management, documentation, and reporting. For example,>

Project area	How the supplier will be integrated
<u>Scope</u>	The supplier's <u>work package</u> descriptions will be incorporated into our documents. A joint <u>WBS</u> will be created.

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Schedule	The supplier's schedule milestones will be added to our schedule. The supplier will report progress against each milestone .
Documentation	The supplier's documentation will be shared and stored in a joint document repository.
Risk management	The supplier's risk register will be shared with us and will be reviewed at each project status meeting.
Reporting	Joint weekly project status reports will be created and submitted to the project board. During build the supplier will produce a brief daily email with a progress update.

PERFORMANCE METRICS

<Include the metrics that will be used in managing and evaluating the suppliers and contracts. Here are some examples of performance metrics:

- *Quantity ordered vs quantity received.*
- *Delivery on time.*
- *Ordered price versus invoiced price.*
- *Percentage of units/tests failing inspection vs. total inspected units/tests.*
- *Returns rate metrics.*
- *Order fill rate metrics.*
- *Lead-time variance metrics.*
- *Software downtime.*

You might use a table like the one below:>

Area	Metric	Measurement method

ROLES, RESPONSIBILITIES AND SIGN-OFF AUTHORITIES

<Document the role and responsibilities of the people involved in procurement, including how much spend they can approve.>

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Role	Responsibility	Sign-off authority
Contract Manager	Contract review & negotiations Legal guidance	None
Bid Manager	RFP preparation and tendering process	None
Project Manager	Overall project management Procurement of low-cost equipment.	1.5k
Project Board	Vendor evaluation and selection. Approval of low-cost spend.	500k
VP Projects	Final approval of contract documentation.	2m

ASSUMPTIONS AND CONSTRAINTS

<Note any procurement assumptions that will be made, along with any constraints. For example,>

It is assumed that day-to-day equipment and services for the running of the project will be available through existing provision. For example, office space or working from home space, Wi-Fi, stationary, laptops, online document repository, scheduling software, Microsoft Office or compatible equivalent, projectors, printers, teleconferencing and video conferencing services.

LEGAL JURISDICTION AND CURRENCY

<State which location has legal jurisdiction and which currency will be used. For example, European Union (Euro) or US (USD).>

INDEPENDENT ESTIMATES

<For some projects, the cost estimates are reviewed and validated by an independent team.

If independent estimates are going to be used explain who will be responsible for the estimates, the process, and the timeline.>

PREQUALIFIED SELLERS

<List any prequalified sellers that will be used on the project.>

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